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THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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MORE CATTLE AND SHEEP—FEWER HOGS—ALL VALUES DOWN

The annual inventory of livestock numbers, made as of January 1, 1931, reveals that the total number of animal units in the country is about the same as a year ago, but the total value of the livestock dropped from \$5,887,964,000 to \$4,366,447,000. This enormous loss of a billion and a half in livestock values reflects strikingly the extent of the general decline in prices which farm products suffered last year.

The number of horses continued to decrease, as has been the case for more than a decade, reflecting the fundamental change in source of power and transportation on American farms. The number of mules has also been declining for about five years.

The total number of cattle in the country increased during the year. In the case of beef cattle this continues the upward trend in production which has been under way since 1928 and which will probably go on for some years more.

The number of dairy cows showed a substantial and expected increase but that of yearling dairy heifers stood about stationary. The information indicates that the number of dairy heifer calves being raised has begun to decline. In other words, dairy cattle production is apparently at the point of turning downward. On this point, it is significant to note that the average value per head of milk cows shrank from \$83 a year ago to \$57 this year.

The total number of hogs in the country declined about 900,000 head, though in the important Corn Belt region there are slightly more than a year ago. The prospect of not more than a very slight decline in hog production during 1931 is regarded as a probable stabilizing and favorable factor in the long-time outlook for the hog industry.

Sheep numbers show an increase of 1,400,000 head over last year, this being the ninth successive year of increase. Moreover, the increase this past year was not merely animals on feed but represents a large addition of ewes and foundation stock. It is to be noted that the average value per head declined from \$8.92 to \$5.35 in the year.

TREND OF LIVESTOCK PRODUCTION

The following shows the number of farm animals in the United States according to the estimate made as of January 1 each year. (Issued January 26, 1931, by Crop Reporting Board.)

[Figures given in terms of thousands, last three ciphers being omitted]

	1924	1925	1926	1927	1928	1929	1930	1931
Horses.....	17, 222	16, 489	15, 830	15, 133	14, 495	13, 897	13, 364	12, 803
Mules.....	5, 720	5, 725	5, 739	5, 652	5, 504	5, 389	5, 279	5, 131
All cattle.....	64, 507	61, 996	59, 122	56, 832	55, 676	56, 389	57, 978	58, 955
Swine.....	64, 950	55, 568	52, 148	54, 788	60, 617	57, 410	53, 238	52, 323
Sheep.....	38, 300	38, 112	39, 730	41, 881	44, 795	47, 704	50, 503	51, 911
Milk cows.....	22, 161	22, 481	22, 188	21, 801	21, 828	21, 849	22, 443	22, 975
Heifers ¹					4, 184	4, 416	4, 675	4, 688

¹ Heifers 1 to 2 years old kept for milk cows.

Horse numbers continued the decline which began about 12 years ago, and this decline was general all over the country. The number January 1 this year was 12,803,000, compared with 13,364,000 a year ago and 21,550,000 in 1918. The decrease from last year was 560,000 head, and the decline in average value per head was from \$70.69 to \$61.36.

Hog numbers also were smaller on January 1 this year than last. The decrease was about 900,000 head; from 53,238,000 last year to 52,323,000 head this year. Although there was this decrease in the United States total, the number in the North Central States, where most of the commercial supply is produced, was a little larger than a year ago. Most of the decrease was in the Southern States, where hog numbers now are at the lowest level in many years. The average value per head this year was \$11.66; last year it was \$13.76.

Cattle numbers increased again in 1930 for the third year since numbers reached this low point on January 1, 1928. The number January 1 this year was 58,955,000 head; last year it was 57,978,000. The increase was about 1,000,000 head. As in each of the past three years, the increase in all cattle numbers this year was due in large part to the increase in milk stock. Cows and heifers 2 years old and over kept for milk increased about 530,000 head, but the increase in yearling heifers being kept for milk cows was only about 13,000 head. Milk cow numbers increased in nearly every State. The value per head of all cattle this January was \$39.71; last year it was \$57.30. The value per head of milk cows was \$57.57 this year and \$83.43 last.

Sheep numbers also increased again in 1930, this being the ninth successive yearly increase. The January, 1931, number of 51,911,000 head was the largest January number ever reached in the United States. The increase over January, 1930, was about 1,400,000 head. The average value per head January 1 this year was \$5.35; a year ago it was \$8.92.

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THE WHEAT OUTLOOK

Wheat growers are faced with rather discouraging prospects for the marketing of the coming season's wheat crop. Unless yields throughout the world should be materially below average, prices are likely to continue low. World production has been increasing faster than consumption for some years and burdensome stocks have been piling up, so that the world carry-over on July 1 next will again be abnormally large. High tariffs and milling restrictions have reduced imports and consumption in many countries of continental Europe, and Russia has again become an important exporter. Financial pressure in important exporting countries is forcing wheat onto the world's markets, while the business depression and the general decline in commodity prices are also tending to aggravate the situation.

At the present time there is nothing to indicate any material change in the world acreage of wheat to be harvested in 1931, and thus far weather conditions have been generally favorable for the fall-sown crop. It is too early, however, to attempt to forecast yields. Looking further ahead, substantial adjustments may be expected through forced contraction of high-cost acreage, checking the expansion in low-cost acreage, modification of import and milling restrictions, which are now tending to reduce consumption, as well as through increased purchasing power. The better balance between production and consumption is likely to be reached at price levels above those now prevailing in world markets but lower than have prevailed in most of the past 10 years. Any surplus of wheat which the United States may have for export will continue to face severe competition from other low-cost producing countries.

World wheat acreage has been expanding rapidly since 1924. In that year the total wheat acreage, outside of Russia and China, is estimated to have been 224,000,000 acres; by 1930 it had reached 250,000,000 acres, an increase of about 12 per cent. In addition, Russia's acreage has been increasing rapidly, having risen from 52,700,000 acres in 1924 to 84,100,000 acres in 1930. This increase of nearly 60 per cent, or over 31,000,000 acres, was over 5,000,000 acres more than the increase in the rest of the world combined during this period. Furthermore, average yields per acre in the world, outside of Russia and China, especially during 1927 and 1928, were considerably higher than during the early years after the war. While yields were low in 1929, consumption was reduced, so that the world carry-over remained considerably above normal levels on July 1 last.

Taking into consideration the world carry-over of 537,000,000 bushels accounted for as of July 1, 1930, the 1930 world wheat crop, excluding Russia and China, estimated at about 3,778,000,000 bushels, and about 100,000,000 bushels estimated as the probable total of shipments from Russia, supplies available to the world outside Russia and China total would appear to be about 4,415,000,000 bushels. This is an increase of 321,000,000 over the preceding year. World consumption during 1930-31 will be larger than in 1929-30. The greatest part of this increase will be due to increased feeding of wheat in the United States, but in addition wheat feeding has probably increased slightly in Canada and a few other countries, and some increase in the use of wheat for food by non-European importers is also likely. These point to an increase in the disappearance of wheat

in the world outside Russia and China about equal to the increase of supplies.

Supplies available for export and carry-over as of January 1 in the four principal exporting countries were from 90,000,000 to 140,000,000 bushels larger than they were a year earlier. In addition, it is likely that there will be material shipments from Russia during the next six months so that supplies available to fill importers' requirements will exceed those of the corresponding period last year by about 150,000,000 bushels or more. Altogether, indications are that the world carry-over, outside Russia and China, as of July 1, 1931, will again be abnormally large and perhaps not materially different from that of July 1, 1930.

There is at the present time no reason to expect that total world production for 1931 will be greatly different from that of 1930. While the increased acreage for the world as a whole, outside Russia and China, may have been checked, there is no indication of an appreciable decrease. Moreover, there may be some further increase in the Russian acreage for 1931. On an acreage about as large as that of 1930, average yields would result in a world crop for 1931 about equal to that of 1930, and total supplies available for 1931-32 would be about the same as those for 1930-31.

Unless the crop of 1931 should turn out to be exceptionally small, the United States will probably be under the necessity of exporting considerable quantities of wheat next summer. This will presumably place our prices on an export basis, and possibly at levels below those which prevailed last summer. Unusually favorable conditions for fall sowings, the need of wheat for pasture, the cheapness of seed wheat, and low prices for alternative crops, prevented the greater reduction which low wheat prices tended to bring about. Reductions of 12 per cent in Nebraska and Colorado, 6 per cent in Oklahoma, and 1 per cent in Kansas brought about a 3.7 per cent reduction in the hard winter wheat States in spite of a 3 per cent increase in Texas. There was a slight increase from the low levels of 1929 in the group of States producing chiefly soft red winter wheat, owing in part to increased needs for pasture and for wheat to feed next summer. The principal increase in sowings took place in Washington where spring plantings seem likely to be correspondingly reduced.

Conditions for winter wheat to date have been generally favorable except that deficiencies of subsoil moisture in large sections affected by the drought may make for reduced yields per acre sown. Unless there should be a great reduction in the acreage harvested, or low yields per acre, the United States wheat crop of 1931 is likely to exceed domestic requirements.

THE CORN OUTLOOK

With normal planting conditions in 1931 a moderate increase in corn acreage is to be expected, especially in those areas where prices for competing crops have been unusually low. Should average yields per acre be obtained on the expected larger acreage, corn production in 1931 would be slightly larger than average and it would be the largest crop since 1925.

The numbers of livestock on farms during the 1931-32 feeding season will probably be about the same as in the present season.

Some increase is to be expected in the commercial consumption of corn in the United States, but foreign demand is not expected to be large unless the production of feed crops in Europe is less than average and the Argentine surplus is small.

The total supply of corn available at the beginning of the 1930-31 season was the smallest since the 1901-2 season. It was estimated to be about 20 per cent, or 537,000,000 bushels less than for the 1929-30 season and about 23 per cent, or 650,000,000 bushels, less than the average of the past five years. The supplies of oats and barley available at the beginning of this season were about 12 per cent more than last season, but the 1930 crop of grain sorghums was 14 per cent smaller than in 1929 and 32 per cent below the 5-year average. The large supply of wheat this year, together with low prices, has resulted in large amounts of wheat being fed and has tended to relieve the shortage of corn and grain sorghum. Supplies of hay are also less than usual, being only 86 per cent of last year and 89 per cent of the 5-year average.

The shortage of the crop in the Corn Belt is not quite so great as for the country as a whole. Production in the East North Central States was about 80 per cent of last year, while the crop in the West North Central States was about 83 per cent of the 1929 crop. In Wisconsin and Nebraska the crop was equal to last year and was above average, but supplies in all other States are smaller, with supplies in Missouri only 62 per cent, in Ohio only 69 per cent, and in Kansas only 71 per cent of last year.

Outside the Corn Belt supplies are shortest in those areas where the drought was most severe. In Maryland, Virginia, West Virginia, Kentucky, and Arkansas the crop of 1930 was less than half as large as last year, and in Pennsylvania, Delaware, Tennessee, Mississippi, and Louisiana the crop was less than two-thirds of a year ago. In the New England States the crop was about equal to last year but was below average, and in the Southeastern States supplies are only slightly below a year ago and below average. In the far Western States and Texas the crop was both above last year and above average.

The total amount of corn harvested for grain which remained on farms on January 1 was estimated to be 21 per cent, or 300,000,000 bushels, less than a year ago. On January 1, 1931, there was still on hand about 60 per cent of the total supply at the beginning of the crop year, or practically the same proportion as was on hand on January 1, 1930, and the same as the average for the five years 1927 to 1931. The proportion of supplies remaining in the different areas was also about the same as a year ago. This indicates that farmers are not using up their corn supply any faster this year than in previous years; and since prices of livestock and livestock products have been favorable for heavy feeding, it is apparent that farmers are supplementing corn with other feeds, including wheat wherever possible. Should this continue through the 1930-31 season, it is not likely that a generally acute shortage of corn will be felt except in local areas.

Some strengthening of the cash corn market appears probable before the 1931 crop is ready to be marketed. Country marketings of corn have fallen off sharply since the middle of December and light receipts are in prospect for the remainder of the season. Com-

mercial stocks of corn are below average, and this together with the prospect of light receipts is likely to cause the corn market to be unusually sensitive to receipts and result in fluctuations in prices greater than usual. Restricted commercial demand, low prices for other grains, and low prices of corn in foreign countries are tending to hold down corn prices in spite of small supplies. The extent to which wheat and flinty Argentine corn can be substituted for domestic corn is limited, however, and if an acute shortage of market supplies should develop later in the season, it would result in at least a temporary marked upswing of corn prices.

THE COTTON OUTLOOK FOR 1931

In conformity with existing legislation that limits the scope of reports on cotton, no attempt has been made to make any forecast or prediction with respect to future prices of cotton or the trend of these prices.

Cotton prices trended gradually downward from 1923 to the beginning of the 1929-30 season and declined severely throughout 1929-30. In December, 1930, prices were at the lowest level since 1915. The outstanding cause of the price decline during the last 20 months was the world-wide business depression, which reduced the demand for cotton. World consumption of American cotton was at high levels from 1926-27 to 1928-29, inclusive, but was 2,000,000 bales less in 1929-30 than in 1928-29. The rate of consumption continued to decline throughout 1929-30, reaching a low point in August, 1930, and since September, 1930, increases have been only seasonal.

The decline in consumption was greater than the average decline in general industrial activity. Cotton consumption usually declines more rapidly during depression and increases more rapidly during recovery than is true of the average rates of all industrial production. Business activity in the United States has continued downward fully as far and as long as in previous major depressions, and present indications are that recovery in its early stages will be slow and irregular. Economic conditions in foreign countries are generally still depressed.

The reduced consumption of cotton in 1929-30 as compared with recent years left a world carry-over of American cotton on August 1, 1930, about 1,800,000 bales greater than on the same date of the previous year. This carry-over, added to the current crop, gives a world supply of American cotton for the 1930-31 season of about 20,500,000 bales, which is 1,200,000 bales greater than for 1930 and 100,000 bales greater than the annual average supply for the 5-year period 1925 to 1929. It should be recalled, however, that the relatively large supplies during this 5-year period occurred when consumption was at record levels.

Cotton acreage in the United States increased rapidly following the World War, and in the last five years it has tended to remain at high levels. Farmers usually reduce the cotton acreage and spend less for fertilizers following the years of low prices. The maximum reduction in acreage since 1900 has been 15 per cent, obtained in 1915, 1921, and 1927. Yields during the last two years have been held in check by drought. At the same time serious weevil damage has not been widespread, and weevils are few in number at present in most of the belt.

Marked expansion in cotton acreage has taken place in the United States since the World War. For the five years, 1925 to 1929, the average number of acres of cotton harvested annually in the United States was 44,882,000 acres, compared with 34,022,000 for the five years immediately following the World War. In 1926 the acreage harvested was 47,087,000—the largest in history. Low prices that year were followed by an acreage reduction of 15 per cent in 1927. By 1929, however, acreage had again increased and 45,793,000 acres were harvested, but the price averaged only 15.79 cents for the season, and in 1930 acreage fell slightly. The area harvested in 1930 was estimated on December 1, 1930, to be 45,218,000 acres.

The outlook for credit with which to finance the production of the 1931 cotton crop appears less favorable than for any recent year. Local lending agencies, in general, will not be able to extend the usual volume of new advances as a result of the reduced flow of income into agricultural communities during the last marketing season. This reduction in income has been reflected in a lower level of deposits, and at the same time has been responsible for a carry-over of 1930 loans, greater than usual. The numerous bank failures in many sections of the South have accentuated the unfavorable credit situation. As a result of low cotton prices in 1926, it may be recalled that the volume of funds available for financing the 1927 cotton crop was greatly reduced. A somewhat greater curtailment can be anticipated for the year 1931. The unfavorable credit situation, however, will be mitigated to some extent through the emergency loans from the seed grain loan fund. Congress has appropriated \$45,000,000 for making loans in the drought-stricken areas, a large part of which will be loaned in cotton-growing States. Such loans may be used for the purchase of seed, fertilizer, feed for work stock, and gas and oil for tractors.

The cotton crop of 1930 probably was produced at a lower cost per acre than either of the preceding two crops. The dry growing season, which made weed control relatively easy, probably resulted in lower labor expenses to farmers who depended on hired labor. Because of the drought, expenditures for weevil control were also below normal. Labor during the picking season was plentiful, and picking rates were lower than in any season during the last 15 years. Labor will be plentiful next season and wage rates, at least through the growing season, are likely to be lower than in 1930. Prices of fertilizers are now lower than they were a year ago, and with prospects for reduced sales, further reductions in fertilizer prices seem probable. On the other hand, supplies of home-grown food and feed crops in the drought areas are the smallest in years, and the quantity that farmers in these areas will need to buy will probably entail relatively heavy expenses during the coming year.

THE POTATO OUTLOOK

The 1930 crop of 360,000,000 bushels brought an average price on December 1 of 90 cents, compared with \$1.31 in 1929, when the crop was of about the same size. The difference in price represents chiefly the reduced purchasing power of consumers and the lower general

level of food prices. In the chief surplus-producing States the prices per bushel on December 1, 1929, and 1930 were as follows:

Year	Maine	New York	Michigan	Wisconsin	Idaho
1929-----	\$1. 20	\$1. 45	\$1. 25	\$1. 20	\$1. 20
1930-----	. 65	. 90	. 85	. 80	. 60

The greater reductions in Maine and Idaho reflect the relatively large production in these two States, compared with unusually low production in the Central States.

The price prospects for the 1931 crop depend on probable yields, acreage, and demand. Yields can not, of course, be forecasted, but the average yields in 1929 and in 1930 were below the considerably higher yields in earlier years. In the country as a whole yields have averaged as high as 127 bushels per acre in 1924 and as low as 106 in 1930. The low yields of 1930 occurred mostly in the North Central producing areas, while in the far West they were unusually high. A return to more normal yields in these areas would mean a reduction in the Western States and an increase in the yields over the wider potato-producing areas of the Central and Eastern States. For the country as a whole a normal yield in 1931 would be about 118 bushels per acre, compared with 106 in 1930.

The 1931 acreage is likely to be greater than in 1930 if growers carry out their present intentions. These intentions are apparently the result of fair prices received for both the 1929 and the 1930 crops and are in line with the usual response of potato growers to prices received. In the Southeastern States, including Virginia, the growers intend to maintain acreage close to that of 1930, but in the other areas increases are planned.

A large crop in 1931, exceeding the 1924 crop, would result in prices lower than those generally received for the 1930 crop.

THE BEEF CATTLE OUTLOOK

Cattle prices during the first half of 1931 are expected to average considerably below those of the first half of 1930, but prices during the second half will probably average about the same as those of a year earlier. Slaughter supplies in 1931 probably will be larger than those of last year, but the increase will be in unfinished cattle marketed during the last half of the year. Consumer demand for beef probably will remain near present levels until there is a marked improvement in business conditions. Imports of cattle beef and veal into the United States during 1931 are expected to be less than those of 1930.

The gradual upward trend in cattle production which has been under way since 1928 is expected to continue during the next few years. In view of a probable increase in demand during this period as a result of an improvement in industrial conditions, and a normal growth in population, a moderate expansion does not seem undesirable.

SUPPLIES—NUMBER ON FARMS JANUARY 1

Cattle numbers increased during 1930, and on January 1, 1931, the number of all cattle on farms was 58,955,000 head, an increase of 977,000 head over the number January 1, 1930. The increase in 1930 was the third annual increase since cattle numbers reached the low point of the production cycle in 1928.

As in both 1928 and 1929, the increase in all cattle numbers in 1930 was in large part due to the increase in milk cows, the numbers of which were 532,000 head larger January 1, 1931, than on January 1, 1930.

The year 1930 probably marked the termination of the downward trend in cattle slaughter which has been under way since 1926. Under more normal conditions in the cattle market, slaughter in 1930 probably would have been at least as large as in 1929, but the sharp drop in cattle prices due to the business depression caused the holding over of considerable numbers of cattle, mostly cows, that would normally have been marketed. Regardless of whether prices of cows advance during 1931 or not, a similar holding back is hardly to be expected this year, and any material advance in prices will probably result in rather heavy marketings of all kinds of cattle. To a considerable extent the holding back of cattle in the western producing regions last year was made possible by the use of credit; it is hardly likely that either producers or lenders will be desirous of continuing this situation over another year. Some liquidation of dairy stock through large marketings of both cows and veal calves now seems quite likely.

Although total cattle slaughter in 1931 is expected to be somewhat larger than in 1930, the increase will come in the last half of the year. Calf slaughter will probably be larger throughout the year, but with the largest increases during the spring and early summer. Inspected stocker and feeder shipments of cattle and calves from public stockyards during the last six months of 1930 were 8 per cent less than those of the last half of 1929, but shipments of calves during this period, which constituted about 18 per cent of the total movement, increased about 14 per cent. The feeder movement in 1930 was unusually late. December shipments were the largest they have been since 1923. The number of cattle on feed for market on January 1 was estimated as 10 per cent smaller than a year earlier and the smallest for many years. Marketings and slaughter of cattle during the first quarter of 1931 are expected to be even smaller than the small number of 1930, but slaughter will be relatively larger than marketings since feeder shipments are likely to be smaller. During the second quarter of the year supplies of fed cattle will continue relatively small, but there is likely to be a larger movement than last year of grass steers from Texas and of grass butcher cattle from dairy regions. During the second half of the year, fed cattle supplies will be smaller than in 1930, but a material increase in grass cattle of all kinds from all areas seems probable.

LONG-TIME BEEF CATTLE OUTLOOK

With total cattle production now definitely on the upswing of a new cycle, the questions of major interest to beef-cattle producers are: First, what will be the character and probable length of this

production cycle and, second, what will be the relative position of cattle production to other agricultural activities which are possible alternatives during the next few years.

A consideration of the present situation as to the proportion of the different kinds of cattle in the present total number on farms, their regional distribution, and the factors that will be of most importance in determining future trends, leads to the conclusion that the present cycle will be of shorter duration, that it will not reach so high a peak and that the rate of expansion and contraction will be more moderate than in the preceding cycle which began in 1912, reached its peak in 1918, and did not end until 1928. It is to be remembered that expansion in numbers during this former cycle was stimulated by war-time demands for about three years beyond the point where it would normally have been checked by the influence of increased market supplies on prices.

At the beginning of the previous cycle sheep production was declining rapidly in the Western States, and this made range and feed available for expanding cattle production, and from 1912 to 1916 cattle production in this area expanded very rapidly. Although some decrease in sheep production from present levels seems likely, there is little probability that this decrease will be at all comparable in magnitude with that from 1911 to 1916. Cattle production in this area is expected to increase only moderately within the next few years.

The principal expansion in cattle numbers will come in the Corn Belt States, and especially in the area west of the Mississippi River. The possibilities for expansion in this area are very considerable, but it seems likely that the trend of cattle prices in relation to other prices, rather than potential capacity, will be the factor determining this expansion. The large decrease in horse production, with the consequent increase in pasturage and feed for other livestock, the unprofitableness of the poorer lands for grain production and their greater possibilities for cattle production if consolidated into larger units, the need for more legumes, and the probability that the relative unfavorableness of cash grain production as compared with livestock production will continue, all furnish incentive for increasing cattle production in this area.

Cattle production has been increasing for three years, but the increase has been greater in dairy cattle than in beef cattle. The numbers of dairy cattle will probably not change materially during the next few years. Beef-cattle production will continue to increase, but only so long as the returns from such cattle appear relatively favorable. The sharp drop in cattle prices in 1930 eliminated much of the price incentive to expand production, but some recovery from the present price level seems likely. The expansion in production from now on is much more likely to be a part of an agricultural readjustment than a speculative venture hoping for large returns. As such, it will be relatively slow, and unfavorable price developments may be expected to halt it rather promptly. At the peak of the present cycle cattle numbers probably will be considerably below the 1918 peak, and it is unlikely that the following low point will be as low as in 1928. Although for a few years near the peak, where output of slaughter cattle is large, returns from cattle production may be relatively unfavorable, but it is probable that during this next decade cattle prices will average relatively higher than the average prices of all agricultural products combined.

THE HOG OUTLOOK

With prospects for smaller supplies, lower feed costs, and an improvement in demand, both at home and abroad, the hog industry during the marketing year which begins next October is expected to be in a more favorable position than in the current year.

HOG SUPPLIES

Numbers on farms January 1, 1931.—The number of hogs on farms January 1, 1931, was 52,323,000 head for the United States total and 40,147,000 head for the North Central States. These numbers were 915,000 head smaller for the United States and 69,000 head larger for the North Central States than on January 1, 1930.

In the nine months, January to September, during which most of the hogs on farms January 1 that go into the commercial supply will be marketed, slaughter will probably be slightly smaller than in the same period of 1930. Decreases in supplies from outside the North Central States will more than offset the small increase in that area. In addition, it is not unlikely that a larger than usual percentage of fall pigs now on farms will be carried over and finished out on new corn next fall, especially in areas where corn production in 1930 was short. With inspected slaughter for the three months, October to December, 1930, nearly 1,300,000 head smaller than during the corresponding period of 1929, total slaughter for the marketing year, October, 1930, to September, 1931, is expected to be from 1,500,000 to 2,000,000 head smaller than for the marketing year 1929-30.

For the four months January to April, 1931, slaughter may be somewhat larger than in 1930, since there apparently were more hogs from last year's spring pig crop still on farms January 1 this year than last, and a fairly heavy marketing of fall pigs in late March and April may take place as a result of the shortage in corn supplies being felt more acutely by hog producers at that time than at present. Weight and finish of the hogs marketing during most of this period will probably not be greatly different from the averages of recent years.

Some reduction in slaughter from May to September this year from last is indicated, most of which will take place in the last three months. Finish on hogs marketed during this period may be somewhat poorer than average.

Supplies during the marketing year 1931-32 will come largely from the spring and fall pig crops of 1931. The December 1 pig survey of the department indicated that the number of sows to farrow in the spring of 1931 would be at least as large as in 1930 in the North Central States and pointed to a considerable increase in other areas, especially in the South. In view of the exceptionally large average number of pigs saved per litter in the spring of 1930, it is hardly likely that as large an average will be saved in 1931. Hence, the number of pigs saved in the spring of 1931 may be somewhat smaller than in the spring of 1930.

The number of sows kept to farrow in the fall of 1931 will be influenced by the trend in hog prices and by the supplies and prices of feed during the first half of the year, also by prospects for corn and feed grain production in 1931. While no great change from 1930 now seems probable, a decrease rather than an increase is likely, unless indications early in the season point to a large corn crop.

The hog outlook has changed materially since last September as regards both the marketing of the 1930 spring pig crop and the probable production of hogs in 1931. Instead of an unfavorable relationship between corn prices and hog prices and consequently an early movement of lightweight hogs in the period from November to March, as seemed a probable effect of the short corn crop, the corn-hog price relationship has been favorable, and marketings have been delayed, with the proportion of the winter's total in January and February above, rather than below, average. Instead of a sharp reduction in hog production as usually takes place following a year of very short corn crop, it now seems probable that production in 1931 may be but little below that of 1930.

The prospect that only a slight reduction in hog production will take place in 1931, rather than a fairly large reduction, as was indicated by the conditions prevailing last fall, is a favorable factor in the long-time outlook for the hog industry. If the 1931 corn crop is large, it will have a less disruptive effect on hog production during the next few years with the present indicated number of hogs to consume it than it would with a considerably smaller number. Hog production and slaughter for the past four years has fluctuated less from year to year than during any similar length of time in the past 20 years. This has tended to keep prices at a relatively stable level, and the total returns from hog production have been about the maximum that could have been obtained from any yearly distribution of similar total numbers. A continuation of this policy of stability in production seems advisable.

THE SHEEP AND WOOL OUTLOOK

Sheep numbers in the United States have increased 43 per cent since 1922 and are now probably the largest on record. Marketings of lambs in the past year also reached record levels and are expected to continue relatively large through 1931. Although an increase in demand is expected during the next two or three years, sheep producers are faced with the problem of reducing breeding stock numbers and disposing of a larger proportion of their annual lamb production through slaughter channels, in order to improve materially the economic position of the industry.

World wool production continues near record levels; consumption has been reduced by business depressions throughout the world. The present low level of wool prices is expected to curtail production, but no material reduction is likely in the coming year. Present world stocks are large.

The number of sheep in the United States increased slightly in 1930 despite the heavy slaughter of sheep and lambs during the year. The increase, however, was the smallest for any year since 1923. The estimated number on farms and ranges January 1, 1931, was 47,800,000 head, compared to 47,171,000 head January 1, 1930, and 36,186,000 head January 1, 1922, at the last low point in the domestic sheep cycle.

The increase in 1930 was in breeding and stock sheep. This was in contrast to 1929, when the increase was largely in numbers on feed for market. The number of lambs and sheep on feed January 1 this year was 775,000 head smaller than on January 1, 1930. The small slaughter of ewes in 1930 tended to increase breeding stock. Although the total slaughter of sheep and lambs under Federal inspection in 1930 increased 2,700,000 head, there was actually a decrease of about 300,000 head in sheep slaughter and an increase of about 3,000,000 head in lamb slaughter. This reduction in the slaughter of sheep resulted from the very low prices for slaughter ewes during most of the year. In fact, prices for thin, old ewes were so low they would hardly pay freight and marketing charges.

SUPPLIES FOR 1931

Total slaughter supplies for the first four months of 1931 are likely to be smaller than during this period in 1930, because of the reduction in the number of sheep and lambs on feed January 1. Since the reduction in feeding is largely in the late marketing areas of Colorado and western Nebraska, it is to be expected that the greatest falling off in slaughter from last year will be in March and April. The reduction in slaughter during these months, however, may not be as large as the reduction in numbers on feed. Relatively large numbers of ewe lambs are being held in some Western States that may be marketed if prices advance sufficiently; and any material advance in prices might also be expected to result in the marketing of other lambs and sheep not now on feed.

Marketings of sheep and lambs from May 1 to the end of 1931 will depend in part upon the size of this year's lamb crop and in part upon the reaction of growers to prevailing levels of lamb, sheep, and wool prices.

The estimated increase of 2,000,000 head in the lamb crop of 1930 was not the result of unusually favorable lambing conditions. The number of lambs saved per 100 ewes in 1930 was just about the average of the preceding five years. Conditions at breeding time, winter feed, and weather conditions, and weather and care at lambing are the factors that determine the percentage of lambs saved. Conditions at breeding time and weather to the end of January this winter have been of at least average favorableness for the country as a whole. Even if conditions at lambing time are no more favorable than in 1930, the number of lambs saved per 100 ewes should be about as large in 1931 as in 1930, provided equal care and attention are given flocks from now through lambing. However, the financial situation of many sheepmen will probably make it impossible for them to give flocks as satisfactory attention this year as was given last year.

Sheep and lamb prices in 1930 continued the downward trend which began in April, 1929, and in the last quarter of the year reached the lowest levels since 1914. The low prices for sheep and lambs in 1930 resulted from increased market supplies, unfavorable business conditions, a marked decline in the general price level, and low prices of wool, pelts, and competing meats.

WOOL

World wool production is still near the peak reached in 1928, and although production in 1931 is not likely to be much below that of 1930, prices now prevailing can be expected to reduce production materially in the next few years. Production in 15 important countries in 1930 was approximately 1 per cent higher than in 1929, but about 1 per cent lower than in 1928. In the pronounced upward trend of the present cycle, world production (exclusive of Russia and China) rose from 2,566,000,000 pounds in 1923 to 3,232,000,000 pounds in 1928. Most of this increase occurred in countries of the Southern Hemisphere and the United States. Both in the United States and in foreign countries as a whole the production of fine wools increased proportionately more than that of medium and coarser wools. The greater increase in the production of fine wools came in response to the relatively very high prices for such wools following the war. In attempting to increase their total returns from the sheep industry many growers are likely to shift to mutton breeds or to crossbreds, and therefore decreases in total wool production in the next few years will probably come mostly in fine wools.

Wool production in the United States rose from 264,000,000 pounds in 1922, the low point of the last decade, to 393,000,000 pounds in 1930.

PRODUCTION OUTLOOK

If general economic conditions had been more nearly normal in 1930, it is probable that there would have been no increase in sheep numbers in the United States on January 1 this year and that January 1, 1930, would have been the January peak in the present sheep-production cycle. A considerable part of the hold-over of ewe lambs and old ewes in 1930 was a reaction to the low price situation rather than an indication of a desire to further increase breeding flocks. Regardless of the price situation in 1931 a similar hold-over is not to be expected. Liquidation may be put off for one year by this method, but hardly for two.

Strong efforts are being made in the range States to reduce operating costs, but success along this line is not likely to be sufficient to make returns from the business profitable to the majority of growers if wool and lamb prices remain around levels prevailing in 1930. With increased beef production probable for some years, and an upswing in hog production likely within two years, any further increase in the production of lamb and mutton for the present does not seem advisable. The situation for the industry as a whole would be improved if breeding flocks were reduced and stabilized at a level where the annual slaughter of sheep and lambs would be at least no larger than in 1930.

SUMMARY OF DAIRY STATISTICS

[Million pounds, 000,000 omitted]

PRODUCTION

Products	December			January to December, inclusive		
	1930	1929	Per cent change	1930	1929	Per cent change
Creamery butter.....	106	102	+4.2	1,538	1,597	-3.7
Farm butter.....	35	36	-1.7	570	580	-1.7
Total butter.....	142	138	+2.7	2,108	2,177	-3.2
Cheese.....	27	28	-4.7	484	484	+0.1
Condensed and evaporated milk..	143	125	+15.0	2,022	2,207	-8.4
Total milk equivalent....	3,606	3,495	+3.2	54,623	56,074	-2.6

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports or exports]

Butter.....	167	168	-0.9	2,126	2,138	-0.6
Cheese.....	40	41	-3.7	552	563	-1.9
Condensed and evaporated milk..	151	139	+8.5	1,955	2,015	-3.0
Total milk equivalent....	4,269	4,286	-0.4	55,053	55,563	-0.9

T. R. PIRTLE,
Division of Dairy and Poultry Products, B. A. E.

PRICES OF FARM PRODUCTS

Actual prices received by producers at local farm markets as reported to the division of crop and livestock estimates of this bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

Product	5-year average, August, 1909- July, 1914	January average, 1910- 1914	January, 1930	Decem- ber, 1930	January, 1931
Cotton, per pound-----cents--	12. 4	12. 2	15. 8	8. 7	8. 6
Corn, per bushel-----do-----	64. 2	58. 9	77. 3	64. 9	61. 7
Wheat, per bushel-----do-----	88. 4	88. 4	107. 5	61. 3	59. 1
Hay, per ton-----dollars-----	11. 87	11. 87	11. 16	11. 33	11. 21
Potatoes, per bushel-----cents--	69. 7	64. 2	137. 8	89. 8	90. 3
Oats, per bushel-----do-----	39. 9	39. 0	43. 1	32. 3	31. 1
Beef cattle, per 100 pounds -----dollars-----	5. 22	5. 04	8. 69	6. 37	6. 41
Hogs, per 100 pounds-----do-----	7. 23	7. 03	8. 80	7. 44	7. 25
Eggs, per dozen-----cents--	21. 5	27. 9	38. 4	26. 8	22. 1
Butter, per pound-----do-----	25. 5	27. 8	39. 9	34. 8	31. 0
Butterfat, per pound-----do-----			36. 7	30. 6	26. 2
Wool, per pound-----do-----	17. 7	18. 5	27. 4	18. 4	17. 4
Veal calves, per 100 pounds -----dollars-----	6. 75	6. 78	11. 84	8. 48	8. 61
Lambs, per 100 pounds-----do-----	5. 91	5. 79	11. 10	6. 18	6. 30
Horses, each-----do-----	142. 00	139. 00	77. 00	64. 00	65. 00

Merchantable stocks of potatoes held by growers and dealers in the 35 late-potato States on January 1, 1931, are estimated to amount to 88,954,000 bushels, compared with 89,684,000 bushels, the revised estimate of holdings on January 1, 1930. During the first three weeks of January, car-lot shipments have been moving to market at a slightly heavier rate than a year ago.

In the 19 so-called surplus States in which the bulk of the late-potato shipments originate for the rest of the season, January 1 stocks this year are estimated to be about 1 per cent larger than on January 1, 1930. Holdings in the 4 Eastern States of this group are estimated to be 7 per cent smaller, and in the 6 Central States about 16 per cent smaller than a year ago, while in the 9 Western States holdings are indicated to be 28 per cent larger than last year on January 1. The 16 late-potato States which usually produce an insufficient supply of late potatoes for local needs during the winter months are indicated to have 15 per cent lighter holdings than a year ago.

The 1931 potato acreage is likely to be 6 per cent greater than in 1930, if growers carry out their present intentions.

GENERAL TREND OF PRICES AND WAGES

[1910-1914=100]

Year and month	Whole-sale prices of all commodities ¹	Industrial wages ²	Prices paid by farmers for commodities used in—			Farm wages	Taxes ³
			Living	Pro-duction	Living pro-duction		
1910.....	103	-----	98	98	98	97	-----
1911.....	95	-----	100	103	101	97	-----
1912.....	101	-----	101	98	100	101	-----
1913.....	102	-----	100	102	100	104	-----
1914.....	100	-----	102	99	101	101	100
1915.....	103	101	107	103	106	102	102
1916.....	129	114	125	121	123	112	104
1917.....	180	129	148	152	150	140	106
1918.....	198	160	180	176	178	176	118
1919.....	210	185	214	192	205	206	130
1920.....	230	222	227	175	206	239	155
1921.....	150	203	165	142	156	150	217
1922.....	152	197	160	140	152	146	232
1923.....	156	214	161	142	153	166	246
1924.....	152	218	162	143	154	166	249
1925.....	162	223	165	149	159	168	250
1926.....	154	229	164	144	156	171	253
1927.....	149	231	161	144	154	170	258
1928.....	153	232	162	146	156	169	263
1929.....	151	236	160	146	155	170	267
1930.....	135	226	-----	-----	-----	-----	-----
December—	-----	-----	-----	-----	-----	-----	-----
1921.....	142	196	-----	-----	-----	-----	-----
1922.....	159	208	-----	-----	-----	-----	-----
1923.....	154	220	-----	-----	-----	-----	-----
1924.....	160	222	-----	-----	-----	-----	-----
1925.....	159	229	-----	-----	-----	-----	-----
1926.....	150	232	163	143	155	-----	-----
1927.....	152	233	161	142	153	-----	-----
1928.....	151	237	161	146	155	-----	-----
1929.....	148	234	-----	-----	-----	-----	-----
1930.....	-----	-----	-----	-----	-----	-----	-----
January.....	146	234	-----	-----	153	159	-----
February.....	144	231	-----	-----	152	-----	-----
March.....	142	235	157	141	151	-----	-----
April.....	142	231	-----	-----	150	162	-----
May.....	140	228	-----	-----	150	-----	-----
June.....	136	227	155	141	149	-----	-----
July.....	132	224	-----	-----	⁴ 149	160	-----
August.....	132	224	-----	-----	⁴ 149	-----	-----
September.....	132	227	-----	-----	⁴ 149	-----	-----
October.....	129	220	-----	-----	⁴ 149	150	-----
November.....	126	215	-----	-----	⁴ 149	-----	-----
December.....	123	216	-----	-----	⁴ 149	-----	-----

¹ Bureau of Labor Statistics. Index for 1928 obtained by multiplying new series by 156.6.² Average weekly earnings, New York State factories. June, 1914=100.³ Index of estimate of total taxes paid on all farm property, 1914=100.⁴ Preliminary.

GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base, August, 1909–July, 1914=100]

Year and month	Index numbers of farm prices							Prices paid by farmers for commodities bought ⁽¹⁾	Ratio of prices received to prices paid
	Grains	Fruits and vegetables	Meat animals	Dairy products	Poultry products	Cotton and cotton-seed	All groups 30 items		
1910.....	104	91	103	100	104	113	103	98	106
1911.....	96	106	87	97	91	101	95	101	93
1912.....	106	110	95	103	101	87	99	100	99
1913.....	92	92	108	100	101	97	100	100	99
1914.....	103	100	112	100	105	85	102	101	101
1915.....	120	83	104	98	103	78	100	106	95
1916.....	126	123	120	102	116	119	117	123	95
1917.....	217	202	173	125	157	187	176	150	118
1918.....	226	162	202	152	185	245	200	178	112
1919.....	231	189	206	173	206	247	209	205	102
1920.....	231	249	173	188	222	248	205	206	99
1921.....	112	148	108	148	161	101	116	156	75
1922.....	105	152	113	134	139	156	124	152	81
1923.....	114	136	106	148	145	216	135	153	88
1924.....	129	124	109	134	147	211	134	154	87
1925.....	156	160	139	137	161	177	147	159	92
1926.....	129	189	146	136	156	122	136	156	87
1927.....	128	155	139	138	141	128	131	154	85
1928.....	130	146	150	140	150	152	139	156	90
1929.....	121	136	156	140	159	145	138	155	89
1930.....	100	158	134	123	126	102	117	-----	-----
December—									
1921.....	88	165	91	147	211	131	115	-----	-----
1922.....	111	104	107	147	198	195	131	-----	-----
1923.....	108	114	98	155	198	253	137	-----	-----
1924.....	155	110	113	137	217	176	139	-----	-----
1925.....	140	194	136	146	213	139	143	-----	-----
1926.....	120	137	140	144	212	81	127	155	82
1927.....	123	141	138	145	195	153	137	153	90
1928.....	112	108	143	146	197	148	134	155	86
1929.....	119	163	143	140	204	130	135	155	87
1930									
January.....	118	167	146	135	178	128	134	153	88
February.....	115	168	150	129	154	121	131	152	86
March.....	107	169	151	126	115	113	126	151	83
April.....	110	187	146	126	117	120	127	150	85
May.....	105	193	142	123	110	119	124	150	83
June.....	106	193	141	118	103	115	123	149	82
July.....	92	173	127	115	101	99	111	² 149	² 74
August.....	101	149	119	117	107	94	108	² 149	² 73
September.....	100	148	128	123	125	83	111	² 149	² 74
October.....	92	127	123	125	129	76	106	² 149	² 71
November.....	80	114	118	124	146	80	103	² 149	² 69
December.....	80	108	112	117	127	73	97	² 149	² 65

¹ These index numbers are based on retail prices paid by farmers for commodities used in living and production, reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.

² Preliminary.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, and sheep receipts at primary markets; butter receipts at five markets, compiled by this bureau.

Year and month	Receipts					
	Wheat	Corn	Hogs	Cattle	Sheep	Butter
Total—	<i>1,000 bushels</i>	<i>1,000 bushels</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000 pounds</i>
1920---	332, 314	210, 332	42, 121	22, 197	23, 538	402, 755
1921---	435, 606	340, 908	41, 101	19, 787	24, 168	468, 150
1922---	413, 106	378, 598	44, 068	23, 218	22, 364	526, 714
1923---	386, 430	271, 858	55, 330	23, 211	22, 025	545, 380
1924---	482, 007	278, 719	55, 414	23, 695	22, 201	587, 477
1925---	346, 381	223, 604	43, 929	24, 067	22, 100	574, 489
1926---	362, 876	234, 873	39, 772	23, 872	23, 868	572, 935
1927---	455, 991	241, 245	41, 411	22, 763	23, 935	581, 592
1928---	495, 450	335, 149	46, 527	21, 477	25, 597	578, 845
1929---	437, 681	264, 934	43, 715	20, 387	26, 834	602, 665
1930---	402, 398	247, 483	40, 774	19, 166	29, 808	584, 196
December—						
1920---	30, 780	18, 276	4, 200	1, 395	1, 566	21, 573
1921---	21, 616	42, 639	3, 931	1, 417	1, 664	30, 839
1922---	46, 002	38, 145	5, 004	1, 825	1, 516	32, 334
1923---	28, 756	37, 930	5, 825	1, 810	1, 526	34, 888
1924---	33, 076	29, 239	6, 604	2, 083	1, 605	33, 155
1925---	33, 670	32, 587	4, 380	2, 056	1, 608	36, 199
1926---	19, 831	22, 528	3, 910	1, 846	1, 706	36, 054
1927---	23, 903	36, 777	4, 209	1, 691	1, 609	33, 687
1928---	31, 976	44, 128	4, 773	1, 510	1, 610	36, 863
1929---	21, 346	31, 376	4, 221	1, 551	1, 701	39, 843
1930						
January----	16, 305	30, 779	4, 720	1, 639	1, 903	43, 507
February---	19, 449	29, 156	3, 781	1, 326	1, 803	41, 014
March-----	15, 972	20, 145	3, 294	1, 547	2, 151	47, 179
April-----	13, 149	21, 812	3, 255	1, 644	2, 230	50, 595
May-----	16, 369	16, 194	3, 293	1, 517	2, 334	63, 752
June-----	17, 457	17, 464	3, 215	1, 459	2, 230	70, 529
July-----	91, 453	16, 446	2, 918	1, 512	2, 296	62, 274
August-----	79, 643	19, 827	2, 617	1, 605	2, 583	44, 821
September---	61, 144	16, 069	2, 799	2, 108	3, 580	40, 853
October----	27, 191	14, 941	3, 441	1, 377	3, 784	38, 933
November---	23, 236	17, 070	3, 439	1, 696	2, 607	36, 848
December---	21, 030	27, 580	4, 002	1, 736	2, 307	43, 892

THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by division of statistical research of this bureau.

Year and month	Wheat, ¹ including flour	Tobacco (leaf)	Bacon, ² hams, and shoulders	Lard	Total ³ meats	Cotton ⁴ running bales
Total—	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 bales
1920---	311, 601	467, 662	821, 922	612, 250	1, 043, 500	6, 111
1921---	359, 021	515, 353	647, 680	868, 942	786, 280	6, 385
1922---	235, 307	430, 908	631, 452	766, 950	733, 832	6, 015
1923---	175, 190	474, 500	828, 890	1, 035, 382	958, 472	5, 224
1924---	241, 454	546, 555	637, 980	944, 095	729, 832	6, 653
1925---	138, 784	468, 471	467, 459	688, 829	547, 361	8, 362
1926---	193, 971	478, 773	351, 591	698, 961	428, 613	8, 916
1927---	228, 576	506, 252	237, 720	681, 303	302, 795	9, 199
1928---	151, 976	575, 408	248, 278	759, 722	315, 586	8, 546
1929---	154, 348	555, 347	275, 118	829, 328	360, 868	7, 418
1930---	149, 154	561, 004	216, 911	642, 486	297, 830	6, 474
December—						
1920---	30, 377	45, 391	83, 276	90, 080	101, 088	785
1921---	15, 217	38, 772	36, 848	64, 542	42, 242	635
1922---	16, 728	36, 954	65, 642	78, 596	76, 830	605
1923---	13, 358	49, 269	76, 263	98, 578	89, 887	834
1924---	24, 616	44, 384	33, 788	76, 803	43, 113	1, 053
1925---	8, 437	68, 378	40, 277	68, 840	46, 537	974
1926---	15, 301	50, 379	23, 503	62, 680	28, 746	1, 504
1927---	12, 197	47, 661	19, 839	62, 855	24, 344	745
1928---	12, 053	67, 587	18, 886	86, 358	23, 040	1, 058
1929---	12, 428	65, 660	17, 404	80, 053	24, 057	910
1930						
January----	14, 073	46, 182	23, 702	73, 292	31, 978	729
February---	9, 535	56, 077	22, 520	65, 953	30, 855	402
March-----	7, 321	53, 603	24, 281	66, 533	31, 766	478
April-----	7, 438	42, 443	21, 249	50, 045	27, 767	350
May-----	10, 208	27, 039	23, 525	62, 562	31, 696	209
June-----	12, 475	29, 967	19, 262	56, 666	26, 628	185
July-----	16, 377	27, 202	19, 635	51, 670	25, 141	175
August-----	24, 413	38, 716	18, 127	49, 287	24, 149	366
September---	19, 352	51, 882	11, 622	37, 417	17, 258	903
October----	12, 355	73, 583	8, 722	41, 396	14, 207	1, 004
November---	8, 701	56, 173	13, 800	42, 552	20, 265	907
December---	6, 906	58, 482	10, 466	45, 114	16, 109	766

¹ Wheat flour is converted on a basis of 4.7 bushels of grain equal 1 barrel of flour.

² Includes Cumberland and Wiltshire sides.

³ Includes fresh, canned, and pickled beef; bacon, hams, and shoulders; fresh, canned, and pickled pork; fresh mutton and lamb.

⁴ Excludes linters.

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

Production, consumption, and movements	December, 1929	November, 1930	December, 1930	Month's trend
PRODUCTION				
Pig iron, daily (thousand tons)-----	92	62	54	Decrease.
Bituminous coal (million tons)-----	¹ 47	38	40	Increase.
Steel ingots (thousand long tons)-----	¹ 2, 903	¹ 2, 235	2, 008	Decrease.
CONSUMPTION				
Cotton by mills (thousand bales)-----	¹ 453	415	406	Do.
Unfilled orders, Steel Corporation (thousand tons)-----	4, 417	3, 640	3, 944	Increase.
Building contracts in 37 North-eastern States (million dollars)-----	316	254	249	Decrease.
Hogs slaughtered (thousands)-----	2, 767	2, 169	2, 460	Increase.
Cattle slaughtered (thousands)-----	921	823	1, 015	Do.
Sheep slaughtered (thousands)-----	966	1, 079	1, 230	Do.
MOVEMENTS				
Bank clearings (New York) (billion dollars)-----	33	22	27	Do.
Carloadings (thousands)-----	¹ 3, 338	4, 127	2, 784	Decrease.
Mail-order sales (million dollars)-----	90	¹ 56	72	Increase.
Employees, New York State factories (thousands)-----	466	398	384	Decrease.
Average price 25 industrial stocks (dollars)-----	287	228	212	Do.
Interest rate (4-6 months' paper, New York) (per cent)-----	5. 00	2. 88	2. 88	Unchanged.
Retail food price index (Department of Labor) ² -----	158	141	137	Decrease.
Wholesale price index (Department of Labor) ³ -----	94	80	78	Do.

¹ Revised.² 1913=100.³ 1926=100.

Data in the above table, excepting livestock slaughter and price indexes, are from the Survey of Current Business, Bureau of the Census, United States Department of Commerce.

COLD-STORAGE SITUATION

[January 1 holdings, shows nearest millions; i. e., 000,000 omitted]

Commodity	5-year average	Year ago	Month ago	Jan. 1, 1931
Apples.....barrels	¹ 8, 346	¹ 7, 967	¹ 10, 860	¹ 9, 521
Frozen and preserved fruits...pounds	51	55	77	75
40 per cent cream.....40-quart cans			¹ 243	¹ 199
20 per cent cream.....do			¹ 12	¹ 10
Creamery butter.....pounds	52	82	88	63
American cheese.....do	58	63	71	63
Frozen eggs.....do	45	54	90	83
Case eggs.....cases	¹ 1, 156	¹ 704	¹ 4, 154	¹ 1, 891
Total poultry.....pounds	125	141	83	105
Total beef.....do	93	104	73	76
Total pork.....do	552	621	412	523
Lard.....do	63	82	32	51
Lamb and mutton, frozen.....do	4	5	5	5
Total meats.....do	720	820	566	689

¹ Three figures omitted.

There was a reduction in cold-storage stocks of apples during December of the equivalent of 1,339,000 barrels. The movement out of storage for the same period a year ago was 1,413,000 barrels. Holdings were in excess of a year ago by 1,554,000 barrels and the 5-year average by 1,175,000.

Stocks of creamery butter were reduced by 24,663,000 pounds, which compares with a reduction December a year ago of 29,715,000 pounds. Holdings were less than those of January 1, 1930, by 18,586,000 pounds; but exceeded the 5-year average by 11,521,000 pounds.

The out-of-storage movement of American cheese was 7,770,000 pounds for the month, compared with that of a year ago of 7,587,000. Stocks were within 116,000 pounds of those of January 1 last year and 4,888,000 in excess of the 5-year average.

Total stocks of all cheese were 1,590,000 pounds less than a year ago and 3,215,000 in excess of the 5-year average.

The out-movement of case eggs was 2,263,000 cases, which compares with that of last year of 1,927,000. The surplus above last year was 1,187,000 and above the 5-year average 735,000 cases.

Stocks of frozen eggs were above last year by 29,504,000 pounds, or the equivalent of 843,000 cases.

Frozen-poultry stocks were increased by 21,765,000 pounds. The into-storage movement for the same period a year ago was 24,847,000 pounds. Holdings were less than the same date last year by 36,033,000 and the 5-year average by 20,089,000 pounds.

Frozen and cured beef stocks were increased by nearly 3,000,000 pounds; but were almost 28,000,000 less than a year ago and 17,000,000 pounds less than the 5-year average.

Stocks of frozen and cured pork were increased by 111,613,000 pounds. The increase for the same period a year ago was something over 131,000,000 pounds. January 1 holdings were less than those of last year by nearly 98,000,000 and also less than the 5-year average by nearly 29,000,000 pounds.

Total stocks of all meats were below a year ago by almost 131,000,000 and the 5-year average by 31,000,000.

Lard stocks were increased by between 19,000,000 and 20,000,000 pounds and were below the January 1 stocks of last year by 31,000,000 and the 5-year average by nearly 12,000,000 pounds.

WILLIAM BROXTON,
Cold-Storage Report Section, B. A. E.

PRICE INDEXES FOR NOVEMBER, 1930

Farm products figures from this bureau; commodity groups from Bureau of Labor Statistics (latter shown to nearest whole number). Shows year ago and latest available month.

FARM PRODUCTS

[Prices at the farm; August, 1909-July, 1914=100]

Product	Decem- ber, 1929	Novem- ber, 1930	Decem- ber, 1930	Month's trend
Cotton.....	129	77	70	Lower.
Corn.....	121	103	101	Do.
Wheat.....	122	68	69	Higher.
Hay.....	93	103	95	Lower.
Potatoes.....	194	136	129	Do.
Beef cattle.....	163	123	122	Do.
Hogs.....	118	113	103	Do.
Eggs.....	213	147	125	Do.
Butter.....	169	148	136	Do.
Wool.....	156	107	103	Do.

COMMODITY GROUPS

[Wholesale prices, 1926=100]

Group	Decem- ber, 1929	Novem- ber, 1930	Decem- ber, 1930	Month's trend
Farm products.....	102	79	75	Lower.
Foods.....	99	86	82	Do.
Hides and leather products.....	107	94	91	Do.
Textile products.....	90	73	72	Do.
Fuel and lighting.....	81	72	70	Do.
Metals and metal products.....	102	90	90	Unchanged.
Building materials.....	96	86	84	Lower.
Chemicals and drugs.....	94	85	85	Unchanged.
House-furnishing goods.....	97	95	91	Lower.
All commodities.....	94	80	78	Do.